

**REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS,
PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES**

FINANCIAL REPORT

For the Year Ended June 30, 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-19-06

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REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

CONSULTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Commissioners
Regional Planning Commission
for Jefferson, Orleans, Plaquemines,
St. Bernard and St. Tammany Parishes
New Orleans, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard and St. Tammany Parishes (the "Commission"), as of and for the year ended June 30, 2005, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Commission as of June 30, 2005, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2006, on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral

part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and the other required supplementary information on pages 3 through 4 and 29 through 33 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of the Commission. The combining and individual nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Reboue & Company

May 2, 2006

**REGIONAL PLANNING COMMISSION FOR JEFFERSON, ORLEANS,
PLAQUEMINES, ST. BERNARD & ST. TAMMANY PARISHES
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2005**

As management of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard and St. Tammany Parishes (the "Commission"), we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission for the year ended June 30, 2005.

FINANCIAL HIGHLIGHTS

- The assets of the Commission exceeded its liabilities at the close of the most recent fiscal year by \$664,163 (*net assets*).
- The Commission's total assets increased by \$76,922.
- The Commission's total liabilities decreased by \$266,072. This decrease is primarily related to the decreases in accounts payable and other current liabilities and in unearned revenues.
- The Commission's total revenues (primarily federal awards) decreased by \$828,486 and total expenditures (primarily the transit function) decreased by \$755,370.
- While the Commission receives significant funding for transportation planning studies, additional funding is received for environmental impact studies and other related environmental initiatives.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements comprise four components: 1) Statement of Net Assets, 2) Statement of Activities, 3) Fund Financial Statements, and 4) Notes to the Financial Statements. This report also contains Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual which are presented as Required Supplementary Information.

The Statement of Net Assets presents information on all of the Commission's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The Statement of Activities presents information showing how the Commission's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., miscellaneous receivables, prepaid items, amounts due from other governments, accounts payable and other liabilities).

**REGIONAL PLANNING COMMISSION FOR JEFFERSON, ORLEANS,
PLAQUEMINES, ST. BERNARD & ST. TAMMANY PARISHES
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2005**

The accompanying notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

In addition to the basic financial statements and accompanying notes, this report also presents other supplementary information that provides additional information related to nonmajor funds.

BASIC FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of an entity's financial position. In the case of the Commission, assets exceeded liabilities by \$664,163 at the close of the most recent fiscal year, June 30, 2005. By far the largest portions of the Commission's assets reflects amounts due from other governments of \$1,186,046 and cash and cash equivalents of \$439,863 (65 percent and 25 percent, respectively).

Operating grants and contributions decreased by \$859,508, from \$4,824,482 to \$3,964,974. Grants from the Federal Highway Administration continue to be the major source of revenue. Total general revenues increased by \$31,022, from \$614,877 to \$645,899. The primary source of general revenues is from member parish dues which increased by \$29,376, from \$580,460 to \$609,836.

Total program expenses decreased by \$755,370, from \$5,289,321 to \$4,533,951. General government expenses increased by \$129,795, from \$118,990 to \$248,785. Transit function expenses decreased by \$888,392, from \$4,045,471 to \$3,157,079. Economic and Physical Development expenses increased by \$229,428, from \$27,402 to \$256,830. Public works function expenses decreased by \$226,201, from \$1,097,458 to \$871,257.

The Commission's indirect cost allocation decreased by 20.375%, from 161.785% to 141.410% for the year ended June 30, 2005. The indirect cost allocation rate decreased primarily because of the increase in direct salaries of \$105,951.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest in the Commission's finances. Questions concerning any of the information provided in this report or requests for additional financial information should contact the Commission's office at (504) 568-6611.

BASIC FINANCIAL STATEMENTS

**REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES,
ST. BERNARD & ST. TAMMANY PARISHES
STATEMENT OF NET ASSETS
June 30, 2005**

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$ 439,863
Miscellaneous receivables	1,184
Prepaid Items	24,983
Due from other governments	1,186,046
Capital assets, net of accumulated depreciation	<u>170,352</u>
TOTAL ASSETS	<u>1,822,428</u>
LIABILITIES	
Accounts payable and other current liabilities	598,970
Unearned revenues	296,494
Due to other governments	12,679
Noncurrent liabilities:	
Due within one year	83,000
Due in more than one year	<u>167,122</u>
TOTAL LIABILITIES	<u>1,158,265</u>
NET ASSETS	
Invested in capital assets, net of related debt	170,352
Unrestricted	<u>493,811</u>
TOTAL NET ASSETS	<u>\$ 664,163</u>

The accompanying notes are an integral part of this statement.

**REGIONAL PLANNING COMMISSION FOR JEFFERSON, ORLEANS,
PLAQUEMINES, ST. BERNARD & ST. TAMMANY PARISHES
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2005**

Function/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions
Governmental Activities				
General government	\$ 248,785	\$ -	\$ -	\$ (248,785)
Transit	3,157,079	-	3,552,931	395,852
Economic and Physical Development	256,830	-	-	(256,830)
Public Works	871,257	-	412,043	(459,214)
Total Governmental Activities	4,533,951	-	3,964,974	(568,977)
General Revenues:				
Interest				\$ -
Dues				609,836
Miscellaneous				36,063
Transfers				-
Total general revenues and transfers				645,899
Change in Net Assets				76,922
Net assets - beginning of year				587,241
Net assets - end of year				\$ 664,163

The accompanying notes are an integral part of this statement.

**REGIONAL PLANNING COMMISSION FOR JEFFERSON, ORLEANS,
PLAQUEMINES, ST. BERNARD & ST. TAMMANY PARISHES**

BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2005

	General Fund	Federal Transit Administration Grants Fund	Federal Highway Administration Grants Fund	U.S. Environmental Protection Agency	Local Contract Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Assets:							
Cash	\$ 439,863	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 439,863
Miscellaneous receivables	1,184	-	-	-	-	-	1,184
Due from other funds	1,093,363	4,087	37,686	68,855	99,250	24,122	1,327,363
Due from other governmental units	59,391	202,298	495,226	141,030	80,634	207,467	1,186,046
Prepaid expenses	24,983	-	-	-	-	-	24,983
TOTAL ASSETS	\$ 1,618,784	\$ 206,385	\$ 532,912	\$ 209,885	\$ 179,884	\$ 231,589	\$ 2,979,439
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts, salaries, and other payables	\$ 598,970	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 598,970
Due to other funds	235,317	187,950	488,229	128,025	80,375	207,467	1,327,363
Due to other governmental units	-	4,087	1,601	852	259	5,880	12,679
Unearned revenues	40,564	14,348	43,082	81,008	99,250	18,242	296,494
Total Liabilities	874,851	206,385	532,912	209,885	179,884	231,589	2,235,506
Fund balances:							
Unreserved, undesignated, reported in:							
General Fund	743,933	-	-	-	-	-	743,933
Special revenue funds	-	-	-	-	-	-	-
Total fund balances	743,933	-	-	-	-	-	743,933
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,618,784	\$ 206,385	\$ 532,912	\$ 209,885	\$ 179,884	\$ 231,589	\$ 2,979,439

The accompanying notes are an integral part of this statement.

**REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES,
ST. BERNARD & ST. TAMMANY PARISHES
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
For the Year Ended June 30, 2005**

Amounts reported for governmental activities in the Statement of Net Assets
are different because:

Fund Balances, Total Governmental Funds	\$ 743,933
Capital assets used in governmental activities are not financial resources and, therefore, are not applicable in the governmental funds.	170,352
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Compensated absences payable	<u>(250,122)</u>
Net Assets of Governmental Activities	<u>\$ 664,163</u>

The accompanying notes are an integral part of this statement.

**REGIONAL PLANNING COMMISSION FOR JEFFERSON, ORLEANS, PLAQUEMINES,
ST. BERNARD & ST. TAMMANY PARISHES
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2005

	General Fund	Federal Transit Administration Grants Fund	Federal Highway Administration Grants Fund	U.S. Environmental Protection Agency	Local Contracts Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Intergovernmental	\$ 609,836	\$ 750,836	\$ 1,855,724	\$ 412,043	\$ 584,651	\$ 361,720	\$ 4,574,810
Other revenues	36,063	-	-	-	-	-	36,063
Total revenues	645,899	750,836	1,855,724	412,043	584,651	361,720	4,610,873
EXPENDITURES							
Current:							
General Government	151,546	-	-	-	-	-	151,546
Transit	-	844,083	2,075,675	-	2,002	235,319	3,157,079
Economic and Physical Development	-	-	-	-	115,263	141,567	256,830
Public Works	-	-	-	413,884	457,373	-	871,257
Capital outlay	-	9,253	4,332	-	-	-	13,585
Total expenditures	151,546	853,336	2,080,007	413,884	574,638	376,886	4,450,297
Excess (Deficiency) of Revenues Over (Under) Expenditures	494,353	(102,500)	(224,283)	(1,841)	10,013	(15,166)	160,576
OTHER FINANCING SOURCES (USES)							
Transfers in	-	102,500	224,283	1,841	1,987	15,166	345,777
Transfers out	(333,777)	-	-	-	(12,000)	-	(345,777)
Total other financing sources (uses)	(333,777)	102,500	224,283	1,841	(10,013)	15,166	-
Net Change in Fund Balances	160,576	-	-	-	-	-	160,576
Fund balances - beginning of year	583,357	-	-	-	-	-	583,357
Fund balances - end of year	\$ 743,933	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 743,933

The accompanying notes are an integral part of this statement.

**REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES,
ST. BERNARD & ST. TAMMANY PARISHES
RECONCILIATION OF THE STATEMENT OF REVENUES
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2005**

Amounts reported for governmental activities in the Statement of Activities
are different because:

Net Change in Fund Balances, Total Governmental Funds	\$	160,576
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Governmental funds report capital outlays as expenditures. However,
in the statement of activities the cost of those assets is allocated over
their estimated useful lives and reported as depreciation expense.

This is the amount by which capital outlays exceeded depreciation
in the current period.

(47,681)

Payment of compensated absences is an expenditure in the governmental
funds, but reduces long-term liabilities in the Statement of Net Assets
by the excess of compensated absences used over amounts earned.

(35,973)

Change in Net Assets of Governmental Activities

\$ 76,922

The accompanying notes are an integral part of this statement.

**REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
NOTES TO FINANCIAL STATEMENTS
June 30, 2005**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard and St. Tammany Parishes (the "Commission") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies.

a. Reporting Entity

The Commission was created in 1962 by Jefferson, Orleans, and St. Bernard Parishes and the Louisiana Legislature. On August 14, 1971, St. Tammany Parish was officially made a member of the Commission. On June 18, 1996 (effective July 1, 1996), Plaquemines Parish was officially made a member of the Commission. The primary function of the Commission is to do comprehensive planning for the five-parish area. The financial information of the Commission's entire operations is included in the general-purpose financial statements.

As required by generally accepted accounting principles, the financial statements of the reporting entity present the primary government and its component units. The accompanying financial statements present the Commission as the primary government. No other organization was determined to be a component unit of the Commission. Therefore, no blended or discretely presented component units are presented in the accompanying financial statements. Furthermore, the Commission has not been included as a component unit in the general-purpose financial statements of any of the member parishes.

b. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Commission. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*.

**REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2005**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Grant revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Commission reports the following major governmental funds:

The *General Fund* is the Commission's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Federal Transit Administration Grants Fund* accounts for the proceeds of FTA grants and contracts that are legally restricted to expenditures for specified purposes.

The *Federal Highway Administration Grants Fund* accounts for the proceeds of FHWA grants and contracts that are legally restricted to expenditures for specified purposes.

The *United States Environmental Protection Agency* accounts for the proceeds of EPA grants and contracts that are legally restricted to expenditures for specified purposes.

The *Local Contracts Fund* accounts for the proceeds of Local grants and contracts that are legally restricted to expenditures for specified purposes.

**REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2005**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**c. Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)**

Amounts reported as *program revenues* include operating grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The Commission has elected not to follow subsequent private-sector guidance.

d. Budgetary Accounting

The Commission adopts an annual budget for the General Fund and Special Revenue Funds. This budget is amended for Special Revenue Funds which at June 30, 2005, consisted of various federal, state, and other agencies' projects, on a project-by-project basis as funding becomes available. Budgets for carryover grants which are to be performed over more than one accounting period are reflected only to the extent that they affect the current period being reported on. The General Fund budget expires at each fiscal year end. Special Revenue Funds Budgets for grants are in accordance with the terms of the grant agreement and normally expire with the completion of the grant project or the grant, whichever comes first.

Budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

e. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded in the funds' general ledgers, is not utilized by the Commission.

f. Cash and Cash Equivalents

For the purpose of the Statement of Net Assets, deposits are carried at cost. The carrying amount of deposits is separately displayed on the balance sheet as "Cash and cash equivalents". The Commission considers all investments with an original maturity of three months or less to be cash equivalents.

**REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2005**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f. Cash and Cash Equivalents (Continued)

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana, or any other federally insured investment. Fair value estimates, methods and assumptions for the Commission's financial instruments of cash and cash equivalents are that the carrying amount reported in the balance sheet is a reasonable estimated fair value.

g. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds". Short-term interfund loans are reported as "interfund receivables and payables". Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds". Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets.

The permanent reallocation of resources between funds of the Commission are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

h. Prepaids

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

i. Capital Assets

Capital assets are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Commission as assets with an initial, individual cost of more than \$5,000 and an estimated life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation. The Commission does not have any infrastructure assets.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

**REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2005**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i. Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized. Depreciation is provided using the straight-line method based on estimated lives from 5 to 15 years.

j. Compensated Absences

All full-time classified employees of the Commission are permitted to accumulate up to 90 days of accrued vacation (annual leave) plus the number of days earned during the current year. However, only a maximum of 90 days annual leave at December 31 may be carried forward to the next calendar year, and the employee is not entitled to compensation for accumulated days forfeited as a result of this limitation. Upon termination of employment an employee is paid for his accumulated annual leave, limited to 90 days, based on his current hourly rate of pay.

Accumulated vacation at June 30, 2005, which is not expected to be paid from current assets, is valued at the employees' current wage rates plus any payments required to be made by the Commission, including Social Security, Medicare and pension payments, and recorded as long-term debt in the government-wide financial statements. In the governmental funds, only that portion which is expected to be liquidated from expendable available financial resources is accrued at year-end.

Annual sick leave is cumulative but not vested. In accordance with GASB Statement No. 16, no liability is recorded for accumulated sick pay benefits because such benefits can be used only for sick leave. See Note 8, Compensated Absences Payable and Note 11, Indirect Cost Plan.

k. Project and General Fund Expenditures

Expenditures of the General Fund and depreciation and amortization of general fixed assets incurred for a common or joint purpose benefiting more than one cost objective are accumulated in an indirect cost pool and allocated to all funds as operating expenditures. See Note 11, Indirect Cost Plan.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

l. Equity Classifications

In the government-wide financial statements, equity is classified as net assets and displayed in three components:

1. Invested in capital assets, net of related debt - consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net assets - consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net assets - all other net assets that do not meet the definition of "restricted or "invested in capital assets, net of related debt".

In the fund financial statements, governmental funds reports reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

m. Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of the government-wide financial statements during the reporting period. Actual results could differ from these estimates.

n. Adoption of New Accounting Principles

For the fiscal year ended June 30, 2005, the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard & St. Tammany Parishes implemented the following GASB Standards:

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

n. Adoption of New Accounting Principles (Continued)

Statement No. 40 - Deposit and Investment Risk Disclosures

NOTE 2 - CASH AND CASH EQUIVALENTS

At June 30, 2005, the carrying amount of the Commission's deposits was \$439,863 and the bank balance was \$563,180 of which \$100,000 was covered by federal depository insurance and the remainder was collateralized by securities held by the Federal Reserve Bank in the name of the financial institution pledged to the Commission. The Commission considers all investments with an original maturity of three months or less to be cash equivalents. There were no cash equivalents at June 30, 2005.

During the year, there were times when Commission deposits exceeded the FDIC insurance and were collateralized by securities held by the Federal Reserve Bank in the name of the financial institution pledged to the Commission.

Even though the pledged securities are considered collateralization under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds on demand.

NOTE 3 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Due to/from other funds at June 30, 2005 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Federal Transit Administration Grants Fund	\$ 187,950
General Fund	Federal Highway Administration Grants Fund	488,229
General Fund	U.S. Environmental Protection Agency	128,025
General Fund	Local Contracts Fund	80,375
General Fund	Nonmajor Governmental Funds	207,467
Federal Transit Administration Grants Fund	General Fund	4,087
Federal Highway Administration Grants Fund	General Fund	37,686
U.S. Environmental Protection Agency	General Fund	68,855
Local Contracts Fund	General Fund	99,250
Nonmajor Governmental Funds	General Fund	<u>25,439</u>
Total		<u>\$1,327,363</u>

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FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2005**

NOTE 3 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

The above due to/from other funds were short-term receivables and payables in the normal course of the Commission's operations.

A summary of the interfund transfers at June 30, 2005 are as follows:

Transfer In:							
	General Fund	Federal Transit Administration Grants Fund	Federal Highway Administration Grants Fund	U.S. Environmental Protection Agency	Local Contracts Fund	Nonmajor Governmental Funds	Total
Transfer Out:							
General Fund	\$ (333,777)	\$ 102,500	\$ 224,283	\$ 1,841	\$ 1,987	\$ 15,166	\$ 12,000
Local Contracts Fund	-	-	-	-	(12,000)	-	(12,000)
Total	\$ (333,777)	\$ 102,500	\$ 224,283	\$ 1,841	\$ (10,013)	\$ 15,166	\$ -

The general fund transfers required matching funds to the appropriate federal and state special revenue funds.

NOTE 4 - DUE FROM (TO) OTHER GOVERNMENTAL UNITS

At June 30, 2005, amounts due from/to various agencies for grant and contracts administered during the year ended June 30, 2005, were as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 59,391	\$ -
Special Revenue Funds:		
United States Department of Transportation:		
Federal Transit Administration Grants Fund	202,298	4,087
Federal Highway Administration Grants Fund	495,226	1,601
National Highway Safety Administration	1,567	2,418
United States Department of Defense	100,389	-
United States Environmental Protection Agency	141,030	852
United States Department of Housing & Urban Development	58,638	-
Federal Railroad Administration	3,298	-
State of Louisiana Contracts Fund	45,142	3,462
Local Contracts Fund	<u>80,634</u>	<u>259</u>
Totals	<u>\$ 1,186,046</u>	<u>\$ 12,679</u>

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June 30, 2005**

NOTE 4 - DUE FROM (TO) OTHER GOVERNMENTAL UNITS (CONTINUED)

At June 30, 2005, the receivables from other governmental units earned and billed were \$413,116 and amounts earned but unbilled were \$772,930.

NOTE 5 - CAPITAL ASSETS

A summary of changes in governmental fund type capital assets and accumulated depreciation for the year ended June 30, 2005, is as follows:

	<u>07/01/04</u>	<u>Additions</u>	<u>Reductions</u>	<u>6/30/05</u>
Furniture, fixtures and equipment	\$ 929,228	\$ 13,585	\$ -	\$ 942,813
Less accumulated depreciation	<u>(711,195)</u>	<u>(61,266)</u>	<u>-</u>	<u>(772,461)</u>
Governmental activities capital assets, net	<u>\$ 218,033</u>	<u>\$ (47,681)</u>	<u>\$ -</u>	<u>\$ 170,352</u>

For the year ended June 30, 2005, the Commission reflected depreciation expenses to the extent allowable, as a cost in its indirect cost pool (see Notes 1h and 1i). Likewise, accumulated depreciation is reflected in the Statement of Net Assets with the result that general capital assets at June 30, 2005, are stated at historical costs less accumulated depreciation.

Depreciation expense charged through the indirect cost plan was \$21,941. Depreciation expense charged to the general government function was \$39,325.

**NOTE 6 - ACCOUNTS PAYABLE, CONTRACTS PAYABLE AND ACCRUED
EXPENSES**

All invoices are processed through the operating cash account in the General Fund. Each fund reimburses the General Fund for its share of accounts payable invoices processed. Accounts payable of \$598,970 at June 30, 2005 includes vendors' invoices and amounts due to consultants for work completed at June 30, 2005, for other funds. Amounts reimbursable for these invoices are

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June 30, 2005**

**NOTE 6 - ACCOUNTS PAYABLE, CONTRACTS PAYABLE AND ACCRUED
EXPENSES (CONTINUED)**

reflected as an asset of the General Fund in the amounts due from other funds, and are reflected as a liability of the other funds in the amounts due to the General Fund. Accrued expenses at June 30, 2005, consist primarily of payroll withholdings.

Accounts payable and contracts payable	\$ 597,940
Accrued expenses	<u>1,030</u>
Total	<u>\$ 598,970</u>

NOTE 7 - LINE OF CREDIT

The Commission has a line of credit in an amount not to exceed \$75,000 with their fiscal agent, bearing interest not to exceed the Bank One Prime commercial loan rate plus 95 base points for the period August 10, 2004 through March 1, 2005. The Commission has the ability to renew the line of credit with approval by the State Board Commission. There were no outstanding amounts under this agreement at June 30, 2005.

NOTE 8 - COMPENSATED ABSENCES PAYABLE

Long-term liabilities consisted of compensated absences (accumulated and vested vacation pay including related Commission expenses).

Details of changes in long-term debt during the year ended June 30, 2005, are as follows:

	<u>7/01/04</u>	<u>Increase</u>	<u>Decrease</u>	<u>6/30/05</u>	<u>Due Within One Year</u>
Compensated absences	<u>\$214,149</u>	<u>\$ 76,224</u>	<u>\$ (40,251)</u>	<u>\$250,122</u>	<u>\$ 83,000</u>

Compensated absences are discussed in Note 1g.

Funding of compensated absences is to be provided from revenues of various funds to which indirect costs are allocated at the time paid (see Notes 1c, 1h and 1i).

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NOTE 9 - FUNDING PROVIDED BY MEMBER PARISHES

The Commission's enabling legislation provides that the members will appropriate and provide the funds necessary to carry out its operations. This is normally provided for by the Commission billing the member parishes their pro rata share of such costs based upon census population distribution. The revenues received and earned from member parishes for the year ended June 30, 2005 amounted to \$609,836.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Office Facilities and Office Equipment

The Commission entered into a lease for office facilities which expires on January 30, 2008. The Commission renewed various office equipment leases in February 1998, for a period of 51 months. Future minimum lease payments required under these leases are as follows:

<u>Year Ended June 30</u>	<u>Office Facilities</u>
2006	\$ 106,677
2007	106,677
2008	<u>62,228</u>
Totals	<u>\$275,572</u>

Rental expenses incurred under all leases and leases having expired during the year ended June 30, 2005, were as follows:

<u>Lease</u>	
Office facilities	<u>\$105,662</u>

Rental expenses are primarily recorded as indirect costs. Indirect costs are discussed in Notes 1h and 11.

Grant Contracts

The grantee for pass-through funds and/or the Commission as grantee or subrecipient under the terms of certain grant agreements is required to provide a percentage of the costs incurred for the project. These costs are referred to as matching funds. These can be provided by the grantee, the Commission, or other agencies. Matching funds that are required for completion of grant projects by the Commission at June 30, 2005, totaled \$43,336.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2005**

NOTE 10 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Work yet to be completed for grants in progress at June 30, 2005, for various agencies was as follows:

<u>Grantor Agency</u>	<u>Amount To Be Completed</u>
United States Department of Transportation	
Federal Transit Administration	\$ 236,110
Federal Highway Administration	683,399
United States Environmental Protection Agency	1,423,996
United States Department of Housing and Urban Development	36,438
Federal Railroad Administration	11,207
State of Louisiana Contracts Funds	149,604
Local Contracts Fund	<u>586,971</u>
 Total	 <u>\$ 1,703,729</u>

Of the above work yet to be completed at June 30, 2005, the Commission contracted for consultant services to be provided which had not yet been performed at June 30, 2005, in the amount of \$1,246,973. The cost of these services will be paid from the funds of the grant project for which the services are provided.

Audit of Subrecipient Costs

The Commission, as recipient of grants from federal agencies, has primary responsibility for compliance by subrecipients that are state or local governments with federal regulations, policies, and procedures applicable to such grants. For the year ended June 30, 2005, there were no subrecipients.

NOTE 11 - INDIRECT COST PLAN

The Commission maintains an approved indirect cost plan for the allocation of costs that are incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objectives specifically benefited.

NOTE 12 - RETIREMENT PLANS

Plan Description

Effective February 18, 1992, substantially all employees of the Commission are covered by a retirement plan through the Louisiana State Employees' Retirement System (LASERS) (the

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June 30, 2005**

NOTE 12 - RETIREMENT PLANS

Plan Description (CONTINUED)

"System"). LASERS is a single-employer defined benefit pension plan, which is a component unit of the State of Louisiana and is included in the state's CAFR as a pension trust. LASERS provides retirement allowances and other benefits for state employees and their beneficiaries. Generally, all Commission employees are required to participate in and contribute to the System as a condition of employment, unless exempted by law. This plan provides annuity benefits as well as disability and survivor benefits to eligible employees and retirees.

Plan benefits are established by state law. Employees are eligible for a service retirement annuity upon reaching age 60 or thereafter and 10 years or more service credit, age 55 or thereafter and 25 years or more service credit, or any age and completion of 30 years or more credited service. The system is supported by contributions of its members and their employing agency. Member contribution rules for the System are established by Louisiana Revised Statute 11:62. Employee member contributions are deducted from their salary and remitted to the System. As of June 30, 2005, the member contribution rate amounted to 7.5 percent of earned compensation and the employer agency contribution rate amounted to 17.8 percent. The benefit formula for the System is a maximum retirement benefit equal to 2.5 percent of the final average compensation multiplied by the number of years of credible service. Final average compensation is defined as the members' average annual earned compensation for the highest 36 consecutive months of employment.

Employees qualify for a survivor's benefit if the deceased had at least five years of service of which two years were earned immediately prior to death; or the deceased member had 20 or more years of service credit regardless of when earned or whether or not he was in service at the time of death. Disability annuity benefits are payable to employees provided they have a minimum of 10 years of credit service.

LASERS issued a publicly available financial report that includes financial statements and required supplementary information. The financial report can be obtained by writing to Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, LA 70804-4213, or by calling 1-225-922-0600, or from their website at www.lasers.state.la.us.

Summary of Significant Accounting Policies

Basis of Accounting

LASERS' financial statements are prepared using the accrual basis of accounting. Interest income and dividend income are recognized when earned. Investment purchases and sales are recorded as of their trade date. Gains and losses on security transactions are recognized when the securities are sold. State fund appropriations for supplemental benefits are recognized when drawn from the State

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June 30, 2005**

NOTE 12 - RETIREMENT PLANS (CONTINUED)

Treasury. Employer and employee contributions are recorded in the period the related salaries are earned. Administrative expenses are funded exclusively from investment earnings and are subject to budgetary control of the Board of Trustees. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Method Used to Value Investments

As required by GASB No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contributions Plans*, investments are reported at fair value. Short-term investments are reported at market value when published prices are available, or at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Corporate bonds are valued based on yields currently available on comparable securities from issuers of similar credit ratings. Mortgage securities are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair value.

Besides investments in the U.S. Government and U.S. Government obligations, the Plan had no investment in any one organization, which represented more than 5% of the net assets available for benefits.

Employer Contributions

Each employer is required to contribute a percentage of each employee's earned compensation to finance participation of its employees in LASERS. The employer's contribution rate is established under Louisiana Revised Statutes 11:101-11:104 annually by the Actuarial Forecasting Committee as shown below for the year ended June 30, 2005:

	<u>2005</u>	<u>2004</u>
Percent of members' earned compensation	17.8%	15.8%

The State's pension cost and net pension obligation to LASERS for the year ended June 30, 2005 is as follows:

Annual required contribution	\$ 411,727,561
Interest on net pension obligation less	
adjustment to annual required contribution	<u>(7,267,494)</u>
Annual pension cost-interest adjusted to end of year	404,460,067
Contributions made	<u>(408,275,385)</u>
Increase (decrease) in net pension obligation	(3,815,318)
Net pension obligation beginning of year	<u>35,367,487</u>
Net pension obligation end of year	<u>\$ 31,552,169</u>

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June 30, 2005**

NOTE 12 - RETIREMENT PLANS (CONTINUED)

The Annual Pension Cost (APC) has been adjusted with interest at the valuation rate to the end of the fiscal year in accordance with GASB's Statement No. 27.

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
FOR THE SIX YEARS ENDED JUNE 30, 2005
(Dollar Amounts in Thousands)**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
6/30/00	\$ 6,170,978	\$ 8,257,313	\$ 2,086,335	74.7%	\$ 1,820,132	114.6%
6/30/01	6,418,296	8,652,591	2,234,295	74.2%	1,782,884	125.3%
6/30/02	6,460,594	9,206,734	2,746,140	70.2%	1,861,887	147.5%
6/30/03	6,487,538	9,796,306	3,308,768	66.2%	1,924,680	171.9%
6/30/04	6,097,815	10,237,574	4,139,759	59.6%	2,017,726	205.2%
6/30/05	6,673,500	10,847,062	4,173,562	61.5%	2,100,043	198.7%

THREE YEAR TREND INFORMATION

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contribution</u>	<u>Net Pension Obligation</u>
6/30/03	\$ 328,772,738	94.1%	\$ 21,225,164
6/30/04	364,930,168	96.1%	35,367,487
6/30/05	404,460,067	100.9%	31,552,169

NOTE 13 - SHELTERED ANNUITY PLAN

Certain Commission employees are not eligible to be covered under the Louisiana State Employees' Retirement System. Thus, the Commission established a sheltered annuity plan under Internal Revenue Code Section 403(b) effective February 18, 1992. The plan provides for employer contributions of an amount equal to the LASERS state contribution rate (17.8 percent) less the applicable rates for Social Security and Medicare taxes (7.65 percent) contribution by the employer based on earned compensation and allows for voluntary contributions by participants.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2005**

NOTE 13 - SHELTERED ANNUITY PLAN (CONTINUED)

The Commission's covered payroll and total payroll for the year ended June 30, 2005, for all employees follows:

	<u>Covered Payroll</u>	<u>Total Payroll</u>
Internal Revenue Code		
Section 403(b) Tax Sheltered Annuity	<u>\$ 47,901</u>	<u>\$ 1,008,585</u>

Employer and employee contributions to the sheltered annuity plan during the year ended June 30, 2005, were as follows:

	<u>Employer Contributions</u>	<u>% of Eligible Salary</u>	<u>Employee Contribution</u>	<u>% of Eligible Salary</u>
IRC Section 403(b)				
Tax Sheltered Annuity	<u>\$ 9,149</u>	19.1%	<u>\$ 3,593</u>	7.5%

NOTE 14 - SUBSEQUENT EVENT

On August 29, 2005, Hurricane Katrina caused catastrophic water and wind damage to the City of New Orleans and the Gulf Coast. After evacuating and learning the decimating effects of Hurricane Katrina to the New Orleans metropolitan area, the Commission's staff re-assembled in Baton Rouge, Louisiana to operate the agency in office space donated at the headquarters of the Louisiana Department of Transportation and Development. On or about September 9, 2005, several staff members returned to New Orleans with a military escort to retrieve the computer server and the hard drives needed to continue the operations of the agency in Baton Rouge. At that time, the majority of the windows were missing and the office space was scattered with debris. The Commission continued its operations, with necessary constraints, in Baton Rouge, Louisiana, until the last week of October 2005. With the Commission's staff reassembled in New Orleans, the cleanup of the offices commenced in the first week of November 2005. The cleanup on the building's interior had commenced, but debris restricted our operations and broken windows were boarded up. Given the working circumstances, the RPC staff re-assembled the scattered documents and files as a result of the hurricane. That operation continued for several months, and some files have still not been located. During this period, the building did not charge rent to the tenants, and it was not until the month of April 2006, that the Commission's operations were stabilized.

REQUIRED SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The Commission receives grants and contracts for planning programs from federal, state, and other sources. These grants and contracts are combined into funds by funding agencies for reporting purposes as follows:

Federal

- United States Department of Transportation:
 - ❑ Federal Transit Administration
 - ❑ Federal Highway Administration
 - ❑ National Highway Traffic Safety Administration
 - ❑ Federal Railroad Administration
- United States Environmental Protection Agency
- United States Department of Housing and Urban Development
- United States Department of Defense

State

- Louisiana Contracts Fund

NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The Commission receives grants and contracts for planning programs from federal, state, and other sources. These grants and contracts are combined into funds by funding agencies for reporting purposes as follows:

Federal

- United States Department of Transportation:
 - National Highway Traffic Safety Administration
- United States Department of Housing and Urban Development

State

- Louisiana Contracts Fund

REGIONAL PLANNING COMMISSION
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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
For the Year Ended June 30, 2005

	Budget	Actual on Budgetary Basis	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 583,537	\$ 609,836	\$ 26,299
Miscellaneous	28,600	36,063	7,463
TOTAL REVENUES	612,137	645,899	33,762
EXPENDITURES			
Current			
General Government			
Personnel services	6,000	4,171	1,829
Supplies	-	570	(570)
Contractual services	74,000	69,317	4,683
Other services and charges	45,600	77,488	(31,888)
Capital outlay			
Purchase of furniture, equipment and auto	-	-	-
TOTAL EXPENDITURES	125,600	151,546	(25,946)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	486,537	494,353	7,816
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(486,537)	(333,777)	152,760
TOTAL OTHER FINANCING SOURCES (USES)	(486,537)	(333,777)	152,760
NET CHANGE IN FUND BALANCE	-	160,576	160,576
FUND BALANCE			
Beginning of year	583,357	583,357	-
End of Year	\$ 583,357	\$ 743,933	\$ 160,576

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
UNITED STATES DEPARTMENT OF TRANSPORTATION -
FEDERAL TRANSIT ADMINISTRATION GRANTS FUND
For the Year Ended June 30, 2005**

	Budget	Actual on Budgetary Basis	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 972,819	\$ 750,836	\$ (221,983)
Miscellaneous	-	-	-
TOTAL REVENUES	<u>972,819</u>	<u>750,836</u>	<u>(221,983)</u>
EXPENDITURES			
Current			
General Government			
Personnel services	429,282	352,929	76,353
Supplies	11,251	11,980	(729)
Contractual services	481,009	350,903	130,106
Other services and charges	161,836	128,271	33,565
Capital outlay			
Purchase of furniture, equipment and auto	10,423	9,253	1,170
TOTAL EXPENDITURES	<u>1,093,801</u>	<u>853,336</u>	<u>240,465</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(120,982)</u>	<u>(102,500)</u>	<u>18,482</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	120,982	102,500	(18,482)
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>120,982</u>	<u>102,500</u>	<u>(18,482)</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE			
Beginning of year	-	-	-
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
UNITED STATES DEPARTMENT OF TRANSPORTATION -
FEDERAL HIGHWAY ADMINISTRATION GRANTS FUND
For the Year Ended June 30, 2005

	Budget	Actual on Budgetary Basis	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 3,105,165	\$ 1,855,724	\$ (1,249,441)
Miscellaneous	-	-	-
TOTAL REVENUES	<u>3,105,165</u>	<u>1,855,724</u>	<u>(1,249,441)</u>
EXPENDITURES			
Current			
General Government			
Personnel services	1,437,719	864,729	572,990
Supplies	30,560	27,504	3,056
Contractual services	1,497,608	861,391	636,217
Other services and charges	535,993	322,051	213,942
Capital outlay			
Purchase of furniture, equipment and auto	5,927	4,332	1,595
TOTAL EXPENDITURES	<u>3,507,807</u>	<u>2,080,007</u>	<u>1,427,800</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(402,642)</u>	<u>(224,283)</u>	<u>178,359</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	402,642	224,283	(178,359)
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>402,642</u>	<u>224,283</u>	<u>(178,359)</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE			
Beginning of year	-	-	-
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY GRANT FUND
For the Year Ended June 30, 2005

	Budget	Actual on Budgetary Basis	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,816,203	\$ 412,043	\$ (1,404,160)
Miscellaneous	-	-	-
TOTAL REVENUES	1,816,203	412,043	(1,404,160)
EXPENDITURES			
Current			
General Government			
Personnel services	135,580	43,413	92,167
Supplies	1,020	234	786
Contractual services	1,608,848	342,427	1,266,421
Other services and charges	92,307	27,810	64,497
Capital outlay			
Purchase of furniture, equipment and auto	1,000	-	1,000
TOTAL EXPENDITURES	1,838,755	413,884	1,424,871
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(22,552)	(1,841)	20,711
OTHER FINANCING SOURCES (USES)			
Transfers in	22,552	1,841	(20,711)
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	22,552	1,841	(20,711)
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE			
Beginning of year	-	-	-
End of Year	\$ -	\$ -	\$ -

REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
LOCAL CONTRACTS FUND
For the Year Ended June 30, 2005

	Budget	Actual on Budgetary Basis	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,171,622	\$ 584,651	\$ (586,971)
Miscellaneous	-	-	-
TOTAL REVENUES	<u>1,171,622</u>	<u>584,651</u>	<u>(586,971)</u>
EXPENDITURES			
Current			
Transit			
Personnel services	15,191	192	14,999
Supplies	-	-	-
Contractual services	120,000	-	120,000
Other services and charges	15,820	1,810	14,010
Public Works			
Personnel services	-	-	-
Contractual services	247,500	113,600	133,900
Other services and charges	3,284	1,663	1,621
Economic and Physical Development			
Personnel services	58,061	35,673	22,388
Supplies	217	218	(1)
Contractual services	669,542	402,762	266,780
Other services and charges	30,007	18,720	11,287
Capital outlay			
Purchase of furniture, equipment and auto	-	-	-
TOTAL EXPENDITURES	<u>1,159,622</u>	<u>574,638</u>	<u>584,984</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>12,000</u>	<u>10,013</u>	<u>(1,987)</u>

(continued)

REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE (CONTINUED)
BUDGET AND ACTUAL (BUDGETARY BASIS)
LOCAL CONTRACTS FUND
For the Year Ended June 30, 2005

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	1,987	1,987
Transfers out	<u>(12,000)</u>	<u>(12,000)</u>	<u>-</u>
 TOTAL OTHER FINANCING SOURCES (USES)	 <u>(12,000)</u>	 <u>(10,013)</u>	 <u>1,987</u>
 NET CHANGE IN FUND BALANCE	 -	 -	 -
 FUND BALANCE			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**REGIONAL PLANNING COMMISSION FOR JEFFERSON, ORLEANS, PLAQUEMINES,
ST. BERNARD & ST. TAMMANY PARISHES
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2005**

	Federal Grant Programs				State Grant Programs	Total Nonmajor Governmental Funds
	National Highway Traffic Safety Administration Grants Fund	U.S. Department of Housing & Urban Develop. Grants Fund	Department of Defense Administration Grants Fund	Federal Railroad Administration Grants Fund	Louisiana Contracts Fund	
ASSETS						
Due from other funds	\$ 2,418	\$ -	\$ -	\$ -	\$ 21,704	\$ 24,122
Due from other governmental units	-	58,638	100,389	3,298	45,142	207,467
TOTAL ASSETS	\$ 2,418	\$ 58,638	\$ 100,389	\$ 3,298	\$ 66,846	\$ 231,589
LIABILITIES AND FUND BALANCES						
Due to other funds	\$ -	\$ 58,638	\$ 100,389	\$ 3,298	\$ 45,142	\$ 207,467
Due to other governmental units	2,418	-	-	-	3,462	5,880
Unearned revenue	-	-	-	-	18,242	18,242
TOTAL LIABILITIES	2,418	58,638	100,389	3,298	66,846	231,589
Fund balance	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 2,418	\$ 58,638	\$ 100,389	\$ 3,298	\$ 66,846	\$ 231,589

The accompanying notes are an integral part of this statement.

**REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2005**

	Federal Grant Programs			State Grant Programs	
	Department of Defense Administration Grants Fund	Federal Railroad Administration Grants Fund	U.S. Department of Housing & Urban Develop. Grants Fund	Louisiana Coastal Fund	Total Nonmajor Governmental Funds
REVENUES					
Intergovernmental	\$ 100,389	\$ 16,625	\$ 89,336	\$ 155,370	\$ 361,720
Miscellaneous	-	-	-	-	-
TOTAL REVENUES	100,389	16,625	89,336	155,370	361,720
EXPENDITURES					
General Government	-	-	-	-	-
Transit	-	16,625	89,336	129,358	235,319
Economic and Physical Development	111,543	-	-	30,024	141,567
Public Works	-	-	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	111,543	16,625	89,336	159,382	376,886
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(11,154)	-	-	(4,012)	(15,166)
OTHER FINANCING SOURCES (USES)					
Transfers in	11,154	-	-	4,012	15,166
Transfers out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	11,154	-	-	4,012	15,166
NET CHANGE IN FUND BALANCE	-	-	-	-	-
FUND BALANCE					
Beginning of year	-	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of this statement.

REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
DEPARTMENT OF DEFENSE GRANTS FUND
For the Year Ended June 30, 2005

	Budget	Actual on Budgetary Basis	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 108,000	\$ 100,389	\$ (7,611)
Miscellaneous	-	-	-
TOTAL REVENUES	108,000	100,389	(7,611)
EXPENDITURES			
Transit			
Personnel services	75,484	70,165	5,319
Supplies	113	105	8
Contractual services	16,913	15,721	1,192
Other services and charges	27,490	25,552	1,938
Capital outlay			
Purchase of furniture, equipment and auto	-	-	-
TOTAL EXPENDITURES	120,000	111,543	8,457
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(12,000)	(11,154)	846
OTHER FINANCING SOURCES (USES)			
Transfers in	12,000	11,154	(846)
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	12,000	11,154	(846)
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE			
Beginning of year	-	-	-
End of Year	\$ -	\$ -	\$ -

**REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
UNITED STATES DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT GRANTS FUND
For the Year Ended June 30, 2005**

	Budget	Actual on Budgetary Basis	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 125,774	\$ 89,336	\$ (36,438)
Miscellaneous	-	-	-
TOTAL REVENUES	125,774	89,336	(36,438)
EXPENDITURES			
Transit			
Personnel services	-	-	-
Supplies	300	39	261
Contractual services	125,474	89,297	36,177
Other services and charges	-	-	-
Capital outlay			
Purchase of furniture, equipment and auto	-	-	-
TOTAL EXPENDITURES	125,774	89,336	36,438
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE			
Beginning of year	-	-	-
End of Year	\$ -	\$ -	\$ -

REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
FEDERAL RAILROAD ADMINISTRATION GRANTS FUND
For the Year Ended June 30, 2005

	Budget	Actual on Budgetary Basis	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 27,832	\$ 16,625	\$ (11,207)
Miscellaneous	-	-	-
TOTAL REVENUES	27,832	16,625	(11,207)
EXPENDITURES			
Transit			
Personnel services	20,522	12,258	8,264
Supplies	-	-	-
Contractual services	-	-	-
Other services and charges	7,310	4,367	2,943
Capital outlay			
Purchase of furniture, equipment and auto	-	-	-
TOTAL EXPENDITURES	27,832	16,625	11,207
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE			
Beginning of year	-	-	-
End of Year	\$ -	\$ -	\$ -

**REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
LOUISIANA CONTRACTS FUND
For the Year Ended June 30, 2005**

	Budget	Actual on Budgetary Basis	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 304,974	\$ 155,370	\$ (149,604)
Miscellaneous	-	-	-
TOTAL REVENUES	304,974	155,370	(149,604)
EXPENDITURES			
Current			
Transit			
Personnel services	98,075	67,364	30,711
Supplies	1,514	502	1,012
Contractual services	104,804	32,750	72,054
Other services and charges	45,998	28,742	17,256
Economic and Physical Development			
Personnel services	24,135	6,812	17,323
Supplies	437	19	418
Contractual services	20,000	20,000	-
Other services and charges	9,673	3,193	6,480
Capital outlay			
Purchase of furniture, equipment and auto	-	-	-
TOTAL EXPENDITURES	304,636	159,382	145,254
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	338	(4,012)	(4,350)

(continued)

**REGIONAL PLANNING COMMISSION
FOR JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE (CONTINUED)
BUDGET AND ACTUAL (BUDGETARY BASIS)
LOUISIANA CONTRACTS FUND
For the Year Ended June 30, 2005**

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ -	\$ 4,012	\$ 4,012
Transfers out	<u>(338)</u>	<u>-</u>	<u>338</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(338)</u>	<u>4,012</u>	<u>4,350</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**REGIONAL PLANNING COMMISSION FOR
JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF COMMISSIONERS' PER DIEM
For the Year Ended June 30, 2005**

	<u>Number of Meetings Attended</u>	<u>Per Diem Allowance</u>
Mr. Bryan Dickinson	5	\$ 250
Mr. Kenneth Ferdinand	8	400
Mr. Francis X. Gomila	5	250
Mr. Allen Hero	4	200
Mr. Richard P. Kelley	13	650
Mr. David Munn, Jr.	11	550
Mr. Ecan McNaughton	8	400
Mr. John V. Santopadre	5	250
Mr. Charles Ponstein	13	650
Ms. JoAnne Mire	1	50
Mr. Phillip Truxillo	2	100

The nonelected Commissioners are provided a per diem allowance of \$50 for each meeting attended, not to exceed two meetings per month.

**CAPITAL ASSETS USED IN THE
OPERATION OF GOVERNMENTAL FUNDS**

**REGIONAL PLANNING COMMISSION FOR JEFFERSON, ORLEANS,
PLAQUEMINES, ST. BERNARD & ST. TAMMANY PARISHES
SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS BY SOURCE**

June 30, 2005

GOVERNMENTAL FUNDS CAPITAL ASSETS:

Furniture, fixtures and equipment	\$ 942,813
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TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	\$ 942,813
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**INVESTMENTS IN GOVERNMENTAL FUNDS
CAPITAL ASSETS BY SOURCE:**

General Fund revenues	\$ 441,092
United States Department of Transportation	
Federal Transportation Administration grant resources	158,797
Federal Highway Administration/	
Louisiana Department of Transportation and Development	322,885
United States Department of Commerce	
National Oceanic and Atmospheric Administration and	
Economic Development Administration	16,606
United States Department of Energy/Louisiana	
Department of Natural Resources grant resources	236
Louisiana Department of Economic Development	3,197

TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	\$ 942,813
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**REGIONAL PLANNING COMMISSION FOR JEFFERSON, ORLEANS,
PLAQUEMINES, ST. BERNARD & ST. TAMMANY PARISHES
SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS BY FUNCTION AND ACTIVITY
June 30, 2005**

<u>FUNCTION AND ACTIVITY</u>	<u>FURNITURE, FIXTURES AND EQUIPMENT</u>
General Government	
Agency activity	
Administration and planning	\$ 942,813
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	\$ 942,813

**REGIONAL PLANNING COMMISSION FOR JEFFERSON, ORLEANS,
PLAQUEMINES, ST. BERNARD & ST. TAMMANY PARISHES
SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS BY FUNCTION AND ACTIVITY
For the Year Ended June 30, 2005**

FUNCTION AND ACTIVITY	GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2004	ADDITIONS	RECLASS & RETIREMENT DEDUCTIONS	GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2005
General Government				
Administration and planning	\$ 929,228	\$ 13,585	\$ -	\$ 942,813
Total Governmental Funds Capital Assets	<u>\$ 929,228</u>	<u>\$ 13,585</u>	<u>\$ -</u>	<u>\$ 942,813</u>

SINGLE AUDIT SECTION

REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

CONSULTANTS

A PROFESSIONAL CORPORATION

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Commissioners
Regional Planning Commission
for Jefferson, Orleans, Plaquemines,
St. Bernard and St. Tammany Parishes
New Orleans, Louisiana

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard and St. Tammany Parishes (the "Commission") as of and for the year ended June 30, 2005, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated May 2, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Commission's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the Commission, management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Rebowe & Company

May 2, 2006

REBOWE & COMPANY

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To Commissioners
Regional Planning Commission
for Jefferson, Orleans, Plaquemines,
St. Bernard and St. Tammany Parishes
New Orleans, Louisiana

Compliance

We have audited the compliance of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard and St. Tammany Parishes (the "Commission") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2005. The Commission's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Commission's management. Our responsibility is to express an opinion on the Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Commission's compliance with those requirements.

In our opinion, the Commission complied, in all material respects, with the requirements referred to previously that are applicable to each of its major federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

The management of the Commission is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Commission's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information of the Commission, management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Rebowe & Company

May 2, 2006

**REGIONAL PLANNING COMMISSION FOR
JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2005**

Federal Granting Agency/ Recipient State Agency: Grant Program	State/ Federal Project Number	Local Project Number	Federal Catalog Number	Total Project Budget	Total Budget
US Dept of Transportation					
Federal Transit Administration	LA-80-X013	736-36-0040	20.505	\$ 404,360	\$ 328,488
Section 8	LA-80-X013	736-52-0042	20.505	53,561	42,849
	LA-80-X012	736-36-0036	20.505	399,366	324,493
	LA-80-X012	736-52-0034	20.505	52,924	42,339
	LA-90-X270		20.505	85,000	68,000
	LA-90-X249		20.507	200,000	160,000
	LA-90-X267-00		20.507	415,000	332,000
Total Federal Transit Administration				1,610,211	1,298,169
Federal Highway Administration	PL-011(028)	736-36-0038	20.205	1,522,550	1,227,040
Louisiana Department of	PL-011(028)	736-52-0038	20.205	364,978	291,982
Transportation and Development	PL-011(027)	736-36-0035	20.205	1,464,534	1,154,367
Section 104(f), Highway Research,	PL-011(027)	736-52-0032	20.205	364,978	291,982
Planning and Construction Grants	SPR-STP-001(022)	700-36-0020	20.205	919,893	735,914
	STP-0035(043)	700-36-0147	20.205	300,000	240,000
	STP-3601(517)	736-36-0031	20.205	150,000	120,000
	STP-2602(510)	700-26-0258	20.205	1,000,000	800,000
	HP 3602(501)	700-36-0155	20.205	200,000	160,000
	HP 3601(516)	700-36-0030	20.205	150,000	120,000
	STP 2603(502)	700-26-0275	20.205	50,000	40,000
	CMAQ-3601(520)	737-36-0002	20.205	150,000	120,000
	ITS-2603(501)	700-26-0274	20.205	400,000	320,000
	ITS-9922(001)	700-92-0014	20.205	200,000	160,000
	STP 5203(504)	700-52-0148	20.205	84,000	67,200
	STP 4403(502)	700-44-0011	20.205	80,000	64,000
	STP 4503(505)	700-45-0109	20.205	72,500	58,000
	STP 2604(520)	736-26-0003	20.205	62,500	50,000
	STP-3804(506)	736-38-0002	20.205	100,000	80,000
	STP-5204(508)	736-52-0043	20.205	65,000	52,000
	STP-3604(506)	736-36-0041	20.205	150,000	120,000
Total Federal Highway Administration				7,850,933	6,272,485
National Highway Traffic Safety Admin.	DTNH22-02-H-55097		Unknown	50,000	50,000
Federal Railroad Administration	DTFR53-04-G-00019		Unknown	27,832	27,832
Total US Dept of Transportation				9,538,976	7,648,486

Federal Financial Assistance					Total		Total	
Provided Through 6/30/2004	Received- Cash Basis	Accrued/(Refunds)		Accrual Basis	Provided Through 6/30/2005	Expenditures Year Ended 6/30/2005		Expenditures Inception to 6/30/2005
		6/30/2004	6/30/2005					
\$ -	\$ 197,858	\$ -	\$ 103,103	\$ 300,961	\$ 300,961	\$ 370,291	A,B	\$ 370,291
-	14,273	-	1,203	15,476	15,476	19,345	B	19,345
274,853	118,498	74,977	3,060	46,581	321,434	57,616	A,B	396,346
28,334	16,915	5,004	1,028	12,939	41,273	16,173	B	51,591
-	45,268	-	3,257	48,525	48,525	60,656	B	60,656
113,600	-	-	46,400	46,400	160,000	58,000	A,B,F	200,000
210	168,878	210	48,336	217,004	217,214	217,254	A,B	217,517
416,997	561,690	80,191	206,387	687,886	1,104,883	799,335		1,315,746
-	569,525	-	297,987	867,512	867,512	1,073,994	A,B	1,073,994
-	41,353	-	17,801	59,154	59,154	73,942	A,B	73,942
-	158,046	158,046	-	-	-	-	A,B,F	1,222,302
-	57,660	57,660	-	-	-	-	A,B,F	306,987
733,120	743	743	-	-	733,120	-	A,B,F	916,401
225,837	33,728	26,286	6,441	13,883	239,720	17,353	A,B,F	299,650
65,633	52,756	5,633	4,499	51,622	117,255	64,527	B	146,569
538,306	325,083	165,648	3,741	163,176	701,482	203,971	A,B	876,853
127,752	46,741	19,422	(1,643)	25,676	153,428	32,095	B	191,786
116,799	11,979	12,130	3,352	3,201	120,000	4,290	B	150,289
36,000	4,000	-	-	4,000	40,000	5,000	B,F	50,000
-	48,941	-	17,416	66,357	66,357	82,947	B	82,947
208	160,636	208	17,709	178,137	178,345	222,672	A,B	222,932
92,200	74,795	92,200	64,873	47,468	139,668	59,335	B	174,585
6,400	56,000	6,400	1,600	51,200	57,600	64,000	B	72,000
63,192	32,192	32,292	848	748	63,940	935	B,F	79,924
5,154	57,216	5,154	397	52,459	57,613	65,573	B	72,016
288	9,203	288	26,239	35,154	35,442	43,943	B	44,303
-	-	-	223	223	223	279	B	279
-	42,708	-	9,191	51,899	51,899	64,874	B	64,874
-	-	-	222	222	222	278	B	278
2,010,889	1,783,305	582,110	470,896	1,672,091	3,682,980	2,080,008		6,122,911
50,000	1,567	1,567	-	-	50,000	-	D,F	50,099
-	13,326	-	3,299	16,625	16,625	16,625	D	16,625
2,477,886	2,359,888	663,868	680,582	2,376,602	4,854,488	2,895,968		7,505,381

**REGIONAL PLANNING COMMISSION FOR
JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
For the Year Ended June 30, 2005**

Federal Granting Agency/ Recipient State Agency: Grant Program	State/ Federal Project Number	Local Project Number	Federal Catalog Number	Total Project Budget	Total Budget
US Environmental Protection Agency	BP986340-01-0		66.811	\$ 319,153	\$ 319,153
	BL-98689601		66.811	500,000	500,000
	X-97608901-0-S1		66.811	219,525	194,525
	X-97608901-0-S3		66.811	469,483	447,408
	X-97617501		66.606	105,264	100,000
	X-97608901-0-S9		66.606	161,991	153,675
	X-97643301-0-S8		66.606	200,000	90,000
	X-97643301-0-S9		66.606	94,737	90,000
	X-97643301-0-S12		66.606	100,000	90,000
	X-976039-01		66.606	22,000	22,000
	BF-97677001-0		66.606	200,000	200,000
	X-976785-01-S3		66.606	153,456	146,149
	X-976785-01-S5		66.606	203,856	194,149
	X-976785-01-S13		66.606	244,167	233,100
Total EPA				<u>2,993,632</u>	<u>2,780,159</u>
U.S. Department of Housing and Urban Development	B-03-SP-LA-0274		Unknown	80,474	80,474
	B-02-SP-LA-0261		Unknown	200,000	200,000
				<u>280,474</u>	<u>280,474</u>
Department of Defense - Office of Economic Adjustment	AP0512-05-01		Unknown	120,000	108,000
Total Federal Assistance				<u>\$ 12,933,082</u>	<u>\$ 10,817,119</u>

- A. Major Federal Financial Assistance Program.
- B. Match of twenty percent (20%) provided by Commission and Other Agencies for direct grants.
- C. Match of ten percent (10%) provided by Commission and Other Agencies for direct grants.
- D. One hundred percent (100%) federal grant.
- E. Match of twenty-five percent (25%) provided by Other Agencies.
- F. Project has been completed and closed out at June 30, 2005 or prior.
- G. Match of five percent (5%) provided by the Commission and Other Agencies.

Federal Financial Assistance					Total		Total	
Provided Through 6/30/2004	Received- Cash Basis	Accrued/(Refunds)		Accrual Basis	Provided Through 6/30/2005	Expenditures Year Ended 6/30/2005		Expenditures Inception to 6/30/2005
6/30/2004		6/30/2004	6/30/2005					
\$ 236,203	\$ 61,225	\$ 19,221	\$ 5,784	\$ 47,788	\$ 283,991	\$ 47,788	D	\$ 283,991
88,096	58,171	52,213	4,526	10,484	98,580	10,484	A,D	98,580
70,889	85,607	28,178	66,207	123,636	194,525	139,525	C,F	219,525
440,376	31,922	31,922	-	-	440,376	-	A,G	465,002
100,000	-	232	232	-	100,000	22	G,F	105,503
-	139,466	-	14,208	153,674	153,674	161,991	F,G	161,991
5,224	31,842	3,544	9,917	38,215	43,439	81,728	E	95,498
-	-	-	822	822	822	822	E	1,572
7,644	70,057	5,741	18,038	82,354	89,998	90,726	E,F	99,785
12,813	10,717	10,717	8,506	8,506	21,319	8,506	D	21,319
-	6,249	-	24,492	30,741	30,741	32,560	D	32,560
-	-	-	642	642	642	684	C	684
-	-	-	432	432	432	454	C	454
-	-	-	559	559	559	585	C	585
<u>961,245</u>	<u>495,256</u>	<u>151,768</u>	<u>154,365</u>	<u>497,853</u>	<u>1,459,098</u>	<u>575,875</u>		<u>1,587,049</u>
-	-	-	50,968	50,968	50,968	50,968	D	50,968
154,700	36,333	5,635	7,670	38,368	193,068	38,368	D	193,068
<u>154,700</u>	<u>36,333</u>	<u>5,635</u>	<u>58,638</u>	<u>89,336</u>	<u>244,036</u>	<u>89,336</u>		<u>244,036</u>
-	-	-	100,389	100,389	100,389	111,543	C	111,543
<u>\$ 3,593,831</u>	<u>\$ 2,891,477</u>	<u>\$ 821,271</u>	<u>\$ 993,974</u>	<u>\$ 3,064,180</u>	<u>\$ 6,658,011</u>	<u>\$ 3,672,722</u>		<u>\$ 9,448,009</u>

**REGIONAL PLANNING COMMISSION FOR
JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2005**

NOTE 1 - SCOPE OF AUDIT PURSUANT TO OMB CIRCULAR A-133, *AUDITS OF STATES, LOCAL GOVERNMENTS, AND NON-PROFIT ORGANIZATIONS*

All federal grant awards of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard and St. Tammany Parishes are included in the scope of the OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The United States Department of Transportation is the Commission's oversight agency. The programs which are major grants and which were selected for specific testing are:

Federal Highway Administration (CFDA No. 20.205)

NOTE 2 - FISCAL PERIOD AUDITED

Single audit testing procedures were performed for program transactions occurring during the year ended June 30, 2005. Revenues and expenditures recorded prior to July 1, 1986 for programs with contractual reimbursement periods commencing prior to that date were outside the scope of the single audit. These prior-period revenues and expenditures are subject to the audit requirements of the applicable federal funding sources. Grant terms are indicated in the Schedule of Expenditures of Federal Awards.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the Commission has met the qualifications for the respective grants. Costs incurred in programs partially funded by federal grants are applicable against federal grant funds to the extent of revenues available when they properly apply to the grant. Accrued revenues at year end represent amounts earned but not yet received. Total Project Budget and Federal Financial Assistance Budget represent the total budget and federal portion of the total budget respectively for the grant program. They do not represent the current operating budget, except for those programs which began and ended within the year ended June 30, 2005. Expenditures represent total program costs for the year ended June 30, 2005, and the cumulative program costs incurred from inception to June 30, 2005. Federal financial assistance provided through June 30, 2005, represents amounts earned under grant agreements on the accrual basis of accounting.

ACCRUED AND DEFERRED REIMBURSEMENT

Various reimbursement procedures are used for federal awards received by the Commission. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balances at year-end represent an excess of reimbursable expenditures over cash reimbursements received. Generally, accrued balances caused by differences in the timing of cash reimbursements and expenditures will be reversed in the remaining grant period.

**REGIONAL PLANNING COMMISSION FOR
JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2005**

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard and St. Tammany Parishes (the "Commission").
2. No material weaknesses or reportable conditions in internal control relating to the audit of the financial statements are reported in the *Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the Commission are reported in the *Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
4. No material weaknesses or reportable conditions relating to the audit of major federal award programs are reported in the *Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133*.
5. The auditor's report on compliance for the major federal award programs for the Commission expresses an unqualified opinion.
6. The auditor's reports disclosed no findings that are required to be reported under Section .510(a) of OMB Circular A-133.
7. A management letter was not issued for the year ended June 30, 2005.
8. The programs tested as major programs were:

Federal Highway Administration (CFDA No. 20.205)
9. The threshold for distinguishing Types A and B programs was \$300,000.
10. The Regional Planning Commission was determined to be a low-risk auditee.

B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

None

**REGIONAL PLANNING COMMISSION FOR
JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2005**

**C. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD
PROGRAMS**

None

**REGIONAL PLANNING COMMISSION FOR
JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2005**

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

None

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO
FEDERAL AWARDS**

None

SECTION III MANAGEMENT LETTER

None

**REGIONAL PLANNING COMMISSION FOR
JEFFERSON, ORLEANS, PLAQUEMINES, ST. BERNARD
& ST. TAMMANY PARISHES
CORRECTIVE ACTION PLAN
Year Ended June 30, 2005**

There are no compliance and/or internal control findings as described in the Schedule of Findings and Questioned Costs. Accordingly, there is no corrective action plan required as part of this section.

**REGIONAL PLANNING COMMISSION FOR
JEFFERSON, ORLEANS, PLAQUEMINES,
ST. BERNARD & ST. TAMMANY PARISHES**

SCHEDULES OF INDIRECT COSTS

For the Year Ended June 30, 2005

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REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

CONSULTANTS

A PROFESSIONAL CORPORATION

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INDEPENDENT AUDITOR'S REPORT

Mr. Lee O. Wabbleton
Department of Transportation
Fritz Lanham Federal Building
819 Taylor Street, Room 8A36
Fort Worth, TX 76102

Mr. William Sussmann
Division Administrator
Federal Highway Administration
5304 Flanders Drive, Suite A
Baton Rouge, LA 70808-4348

We have audited the accompanying schedules of indirect cost allocation rates, overhead costs and benefits costs of the **Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard and St. Tammany Parishes** (the "Commission") for the year ended June 30, 2005, pursuant to the provisions of the United States Office of Management and Budget Circular A-87, Cost Principles for State and Local Governments. These schedules are the responsibility of the Commission's management. Our responsibility is to express an opinion on the schedules based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedules. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the schedules. We believe that our audit provides a reasonable basis for our opinion.

The accompanying schedules were prepared to present the calculation of the indirect cost allocation rates used in the Commission's cost allocation plan, and are not intended to be a complete presentation of the Commission's revenues and expenses.

In our opinion the accompanying schedules referred to in the first paragraph present fairly, in all material respects, the indirect cost allocation rates, overhead costs, and benefits costs of the Commission for the year ended June 30, 2005 in accordance with the provisions of the United States Office of Management and Budget Circular A-87, *Cost Principles for State and Local Governments*.

This report is intended solely for the information of management, the Legislative Auditor of the State of Louisiana and various federal and state agencies and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24.513, this report is distributed by the Legislative Auditor as a public document.

Rebowe & Company

December 9, 2005

**REGIONAL PLANNING COMMISSION FOR
JEFFERSON, ORLEANS, PLAQUEMINES,
ST. BERNARD & ST. TAMMANY PARISHES
SCHEDULE OF INDIRECT COST ALLOCATION RATES
For the Year Ended June 30, 2005**

OVERHEAD

Overhead indirect costs	<u>\$ 477,578</u>	
Direct salaries	753,197	
Overhead allocation rate		63.407%

BENEFITS

Benefits indirect costs	<u>\$ 587,516</u>	
Direct salaries	753,197	
Benefits allocation rate		<u>78.003%</u>

TOTAL ALLOCATION RATE AS A PERCENTAGE OF DIRECT SALARIES		<u>141.410%</u>
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See accompanying notes.

**REGIONAL PLANNING COMMISSION FOR
JEFFERSON, ORLEANS, PLAQUEMINES,
ST. BERNARD & ST. TAMMANY PARISHES
SCHEDULE OF OVERHEAD COSTS
For the Year Ended June 30, 2005**

<u>Description</u>	<u>Costs As Submitted</u>	<u>Costs Questioned</u>	<u>Costs Unresolved</u>	<u>Total</u>
Indirect salaries	\$ 144,346	\$ -	\$ -	\$ 144,346
Rent and utilities	105,662	-	-	105,662
Administrative consultants	70,500	-	-	70,500
Travel, parking and staff training	26,101	-	-	26,101
Audit	25,473	-	-	25,473
Depreciation-auto, furniture and equipment	21,941	-	-	21,941
Reproduction and publications	20,156	-	-	20,156
Telephone	14,819	-	-	14,819
Office supplies	14,814	-	-	14,814
Automobile - gas, insurance, maintenance and parking	12,480	-	-	12,480
Insurance	8,523	-	-	8,523
Postage	7,548	-	-	7,548
Dues and subscriptions	4,461	-	-	4,461
Equipment rental and maintenance	494	-	-	494
Conference registration	144	-	-	144
Public notices	69	-	-	69
Reference materials	<u>47</u>	<u>-</u>	<u>-</u>	<u>47</u>
 TOTALS	 <u>\$ 477,578</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 477,578</u>
 DIRECT SALARIES				 <u>\$ 753,197</u>
 OVERHEAD ALLOCATION RATE				 <u>63.407%</u>

See accompanying notes.

**REGIONAL PLANNING COMMISSION FOR
JEFFERSON, ORLEANS, PLAQUEMINES,
ST. BERNARD & ST. TAMMANY PARISHES
SCHEDULE OF BENEFITS COSTS
For the Year Ended June 30, 2005**

<u>Description</u>	<u>Costs As Submitted</u>	<u>Costs Questioned</u>	<u>Costs Unresolved</u>	<u>Total</u>
Hospital and life insurance	\$ 297,175	\$ -	\$ -	\$ 297,175
Staff leave	111,042	-	-	111,042
Pension	151,478	-	-	151,478
FICA and Medicare	18,128	-	-	18,128
Workmen's compensation	5,317	-	-	5,317
Employee welfare	<u>4,376</u>	<u>-</u>	<u>-</u>	<u>4,376</u>
 TOTALS	 <u>\$ 587,516</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 587,516</u>
 DIRECT SALARIES				 <u>\$ 753,197</u>
 BENEFITS ALLOCATION RATE				 <u>78.003%</u>

See accompanying notes.

**REGIONAL PLANNING COMMISSION FOR
JEFFERSON, ORLEANS, PLAQUEMINES,
ST. BERNARD & ST. TAMMANY PARISHES
NOTES TO SCHEDULES
For the Year Ended June 30, 2005**

NOTE 1 - REPORTING ENTITY

The Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard and St. Tammany Parishes (the "Commission") was created in 1962 by Jefferson, Orleans, and St. Bernard Parishes and the Louisiana Legislature through Louisiana Revised Statutes 33:131-140. On August 14, 1971, St. Tammany Parish was officially made a member of the Commission. Plaquemines Parish was officially made a member of the Commission on July 1, 1997.

The Commission is composed of twenty-six members, five each from the five member parishes and the Secretary of the Louisiana Department of Transportation and Development. A chairman is elected from the membership body. Members who are elected officials serve without pay. The mission of the Commission is to prepare and maintain a continuing regional development plan. The plan is based on studies of physical, social, economic, and governmental conditions and trends in the regional area.

NOTE 2 - ACCOUNTING SYSTEM

The Commission maintains the accounting system on an electronic data processing system using the modified accrual basis of accounting. An adequate audit trail exists that allows cost data to be traced to supporting documentation.

NOTE 3 - INDIRECT COST PLAN

The Commission maintains an approved indirect cost plan for the allocation of costs that are incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objectives specifically benefited.